

the benefit of this Corporation itself. They do not need Rs. 250 crores this year. They need only Rs. 150 crores. Now this is a project which is going to be completed over a number of years: If you pile up interest obligations, it will only add to the cost of the project. Therefore, I think, it is in the interest of this Corporation that it should not raise money prematurely. They need during the current year only Rs. 150 crores. That has been cleared. They need Rs. 100 crores in the first quarter of 1992-93 and as my colleague, the Minister of State, has mentioned, that would be done before the end of the current year.

SHRI NIRMAL KANTI CHATTERJEE: Sir, the Konkan Railway Project also was conceived as a noble approach wherein the States were asked to participate in the equity stage. Part A of my question is in view of the fact that the budget proposal's will have a devastating effect on the State, will the Central Government contribute to the State fund so that other States also participate with the co-operation of the Railways, floating such corporations for railway lines to be laid in their areas and part B of my question is will the Government—the Finance Department—permit the term lending institutions to lend their money to this Konkan Railway Project?

SHRI MANMOHAN SINGH: Sir. I think, it is not correct that the Budget, that I presented to this August House day before yesterday, will have any adverse effect on the States. In fact, I have mobilised resources for the benefit of the States. I thought that the hon. Members and the State Governments would show some appreciation for resource mobilisation effort that I have done on their behalf. I have not imposed any burden on the State Governments. I have improved their resource position. Therefore, this inference that my Budget will have any devastating effect on the State Governments, I am afraid, is not correct.

Now, as far as the question of the term lending institution is concerned, most term lending institutions do not float tax free bonds. I do not think that this Corporation can pay the rate of interest which term lending institutions would charge. If you look at the Economic Survey, the hon. Member and the former Railway Minister, Shri George Fernandes, himself would recognise that asking this Corporation to go to the term lending institution is to condemn this project right from the inception to non-viability.

M. P. Fund

*164. **SHRI RAM NAIK:** Will the Minister of FINANCE be pleased to state:

(a) whether the Government had received representations from some Members of Parliament in 1990 to constitute an M. P. Fund to be spent by the Government on the suggestions of the concerned M. P. on the lines of M.L.A. Fund constituted and being spent in some States;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHANTARAM POTDUKHE): (a) to (c) A statement is laid on the table of the House.

STATEMENT

(a) and (b) Yes, Sir. Suggestions were received from some Members of Parliament during 1990 for constitution of an M.P. Fund for undertaking small development works in each Lok Sabha Parliamentary Constituency on the suggestions of the concerned Members.

(c) The allocation of State Plan Funds is made by the Planning Commission after discussion with representatives of the concerned States and the Central Ministries, sector/sub-

sector-wise, and also for certain specified projects in sectors like power and irrigation. Funds are also allocated for 'Special Area Programmes' (e.g., programmes for the development of backward areas within the state). These allocations are based on an assessment of resource availability, developmental needs, absorptive capacity, etc. of such sector/sub-sector or backward region, as the case may be. Some projects and programmes do not lend themselves to being allocated Parliamentary Constituency-wise. Moreover, allocation of approved plan outlay among various parts of a State is primarily the responsibility of the concerned State Government. Accordingly, it is not possible to allocate plan funds Parliamentary Constituency-wise. State Governments are, however, free to consult Members of Parliament and Members of State Legislatures in formulating plan proposals and in allocating funds.

[Translation]

SHRI RAM NAIK: Mr. Speaker, Sir, being from Maharashtra, you also know that M.L.A. Fund Scheme is in force in Maharashtra. The hon. Minister of Defence, who was earlier Chief Minister of Maharashtra is also aware that there is a scheme called M.L.A. Fund Scheme in Maharashtra involving an outlay of Rs. 21.5 lakh in order to provide facilities like toilets, electricity, water, small roads, small bridges and 'balwadi', etc. under the scheme. A question on this subject was asked on 18th May, 1990 in the Lok Sabha. Prior to that a memorandum was submitted to the Prime Minister. At the time, hon. Shri Sontosh Mohan Dev and hon. Shri Kumaramangalam, now Ministers, were the Members of the House and they had asked a supplementary question to which the Finance Minister Prof. Madhu Dandavate had replied:

[English]

"I will assure this House that we will re-examine the entire issue *de*

novo and try to make a final decision".

[Translation]

About 100 M.P.s had submitted this memorandum to the Prime Minister and this was the assurance given by the hon. Minister. Now what I want to know is whether this scheme has been re-examined and if so which of the three Governments—V.P. Singh Government, Chandra Shekhar Government or Narasimha Rao Government—re-examined it?

SHRI SHANTARAM POTDUKHE: Mr. Speaker, Sir, this question concerns Ram.....(Interruptions)

The question which he asked reads:

[English]

"Whether the Government had received representations from some Members of Parliament in 1990 to constitute an M.P. Fund to be spent by the Government on the suggestions of the concerned M.P. on the lines of M.L.A. Fund constituted and being spent in some States."

[English]

There is nothing like M.L.A. Fund(Interruptions).

SHRI ANNA JOSHI: It might not be in that name but it is given from DPDC Fund to every MLA in so many States.

SHRI SHANTARAM POTDUKHE: Sir, this is a Fund which is at the disposal of the District Planning and Development Council. Even the Planning Commission is not in favour of giving such a Fund. The Planning Commission says: "As decentralised planning, particularly the area development concept catches on, comprehensive attention to the requirement of each Panchayat, Mandal Panchayat, Zila Parishad, will become an integral part of the planning. The new Planning Commission is

working towards this goal. Apart from that, any attempt to make budget provision on constituency basis is neither feasible nor desirable."

[Translation]

SHRI RAM NAIK: What I wanted to know was whether Government had re-examined it, and if so, which Government did it and when?

AN HON. MEMBER: He is expressing his helplessness.

SHRI SHANTARAM POT-DUKHE: We are not expressing helplessness it is you people who are doing so. I am simply stating the facts.

[English]

Sir, I was telling that the concept of planning is at the village level, at the Panchayat level...*(Interruptions)*.

MR. SPEAKER: No, the question is: was it considered by the Government, as was agreed.

SHRI SHANTARAM POT-DUKHE: No, Sir, it was not considered by the Government.

[Translation]

MR. SPEAKER: The hon. Minister has said that he will consider it.

[English]

SHRI SHANTARAM POT-DUKHE: Sir, this is a suggestion for action...*(Interruptions)*.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Sir, I will not be in a position to answer this question whether the previous Government has considered this question before or not. I would ask for information and come before the House. As far as our Government is concerned, I have had preliminary discussions with the Deputy Chairman

of the Planning Commission and his advice to me was that there are practical difficulties in giving effect to this recommendation.

[Translation]

SHRI RAM NAIK: Some time ago, when this issue was discussed, we were told that the matter would be discussed with the leaders of all political parties. We live on the seashore where there is water all around but no drinking water. My second supplementary question is whether a Member of Lok Sabha is so powerless that he cannot have any say in the works which can be done at the instance of even a member of Gram Panchayat, Chairman of a Municipal committee or an M.L.A.? They have the powers to get all these things done, but the Members of Parliament who pass budget worth crores of rupees are not authorised to get even a small bridge or a path constructed in their constituencies. Will the Government give consideration to it because M.P. too has a right to serve the people. But he is never given an opportunity to do so? Is there any proposal before the Government to discuss this matter with the Members of Farliament?

[English]

SHRI MANMOHAN SINGH: Sir, I respect the sentiments of the hon. Member. But I will be very honest. Here we are dealing with a very sensitive matter having bearing on Centre-State relations. Now all these issues have been under discussion. The Sarkaria Commission Report is there stating what is the proper way for the Central Government to allocate resources among the States. Now, I would respectfully submit that these are issues which do not lend themselves to simple answer. But if the hon. Members would like to have a discussion, I think, we are certainly prepared for a discussion.

[Translation]

SHRI SATYANARAYAN JATIYA: Mr. Speaker, Sir, there are some schemes which can be executed only

by the State Governments. Similarly, there are some schemes which are controlled directly by the Centre through their Ministries/Departments. For instance, Rest Houses, Rail Yatri Niwas are such schemes which can ensure balanced development of the area giving equal opportunities to all and all such schemes are under the direct control of the central Government. I want to know as to what is the thinking of the Government and his Ministry in this direction?

[English]

MR. SPEAKER: This is different. I have disallowed that question.

(Interruptions)

SHRI BRISHIN PATEL: Mr. Speaker, Sir. the hon. Minister has said that its implementation depends on the relations between the State and the Centre.

MR. SPEAKER: No, he did not say that.

SHRI BRISHIN PATEL: He has said so.

MR. SPEAKER: He has not said like that.

SHRI BRISHIN PATEL: The State Government has authorised the M.L.A.s to spend a sum of Rs. 3 lakh each in their respective Assembly Constituency or this money can be spent in the constituency on the recommendation of the concerned M.L.A. But the Members of Parliament are not empowered to implement small schemes in their constituencies. Therefore, through you, I would like to know from the hon. Minister whether there is any proposal to give Rs. 10 lakh to each M.P. so as to enable them to spend it in each Assembly segment on their recommendation?

MR. SPEAKER: No, it has already been replied to.

SHRI ANNA JOSHI: Mr. Speaker, Sir, the hon. Minister has said that he is ready to discuss the matter with the representatives of all parties.

MR. SPEAKER: If you want.

SHRI ANNA JOSHI: We want and this is our demand also that after this session is over, a meeting should be convened for this purpose. Do you agree with it?

MR. SPEAKER: It will be discussed in this session itself.

[English]

Mr. Minister, the hon. Member wants to know whether you are going to discuss the issue in this session.

SHRI MANMOHAN SINGH: As I mentioned, this is not a simple question. I did mention that when it comes to allocating resources to the States, there have been several issues which are raised and all these require a careful examination before we can do anything in this. If you want a discussion I am always available.

MR. SPEAKER: The only question is whether you are ready to discuss in the session?

SHRI MANMOHAN SINGH: We are ready.

[Translation]

SHRI NARAIN SINGH CHAUDHRI: The hon. Minister has stated that the State Governments have authorised the District Boards to incur expenditure on the schemes within the district. M.L.As participate in the meetings of the district board. Will the hon. Minister advise the Chief Ministers of the States to associate the Lok Sabha Members with the schemes being executed by the District Planning Boards?

[English]

MR. SPEAKER: Now the question is, there are District Boards on which M.L.As. are Members and are you going to advise the State Governments to have M.P.s also on those Boards?

SHRI MANMOHAN SINGH: My information is that in several States Members of Parliament are there on these Boards.

Decanalisation of Imports

*166. **SHRI INDRAJIT GUPTA:** Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government propose to decanalise almost all imports;
- (b) if so, the reasons therefor; and
- (c) the items canalised so far and those likely to be decanalised?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c) The items, the import of which is presently canalised, are specified in Appendix 5 Part A & Part B of the Import and Export Policy, 1990-93 (Volume I). These lists are being reviewed to determine whether some of the items could be decanalised. A decision will be taken in the near future.

SHRI INDRAJIT GUPTA: Mr. Speaker, Sir, before I put my question, I must lodge a protest with him. Part (c) of the question is very clear and it asks for the items canalised so far and those likely to be decanalised. As far as those likely to be decanalised are concerned, the Minister can certainly say that they are considering the matter. But the information asked about the items canalised so far, is not given. He says, the items, the import of which is presently canalised, are specified in Appendix 5 Part A and Part B of the Import and Export Policy, 1990-93 (Volume I). This will not

do. This is a question asked on the floor of the Parliament. If some items are canalised at present, that appendix must be laid on the Table of the House. I am not going to hunt for Volume I. This is not the way to reply to the question. Do you have anything to say about that? Why are you not giving the list of items which are already canalised?

SHRI P. CHIDAMBARAM: Sir, when this policy was announced in 1990 effective from 1st April, 1990 it was laid on the Table of the House. This is a public document. If the hon. Member wishes to have a copy of that, I am willing to furnish him a copy of Volume I. But, let me assure him, it was laid on the Table of the House when the policy was announced on 1-4-1990.

SHRI INDRAJIT GUPTA: Sir, a new scheme has been announced under the new trade policy under which exporters will be permitted freely to sell their replenishment licences to importers and importers will no longer have to go through the labyrinth of Government offices and regulations. They can purchase directly from the exporters. What will be the impact of this on the fact that there will be actually no canalisation at all and these licences will be sold at a premium. I would also like to know as to what will be the result of this on the actual import and values of imports coming into this country because even people who have no import value in their exports can also buy these licences, as far as I am able to understand.

SHRI P. CHIDAMBARAM: Sir, with great respect to the hon. Member, I would like to say that they are really two separate issues. Although replenishment licences do not arise out of this question, I will answer that. The replenishment licences were always tradeable. It is not a result of the policy announced on the 4th of July, 1991. Now, what we have done is, we have made a large number of items importable